PERFORMANCE PRESENTATION

30 September
Third Quarter 2022

progroup
consistently successful

DISCLAIMER
IMPORTANT INFORMATION

The unaudited consolidated financial information of Progroup AG (“Progroup”) as at and for the period ended 30 September 2022 included in this presentation, has been prepared in accordance with generally accepted accounting principles (Grundsätze ordnungsgemässer Buchführung) in the Federal Republic of Germany as in effect from time to time (“German GAAP”), which differ in certain respects from International Financial Reporting Standards as adopted by the European Union. Certain numerical figures included in this presentation have been rounded. Discrepancies or apparent inconsistencies between different amounts included in this presentation may occur due to such rounding.

This presentation may contain forward-looking statements. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding our future financial position and results of operations, our strategy, plans, projects, objectives, goals and targets, future developments in the markets in which we participate or are seeking to participate or anticipated regulatory changes in the markets in which we operate or intend to operate. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and are based on numerous assumptions and that our actual results of operations, including our financial condition and liquidity and the development of the industry in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward- looking statements contained in this presentation. Accordingly, prospective investors should not place undue reliance on these forward-looking statements, which speak only as at the date on which the statements were made (and in any case no later than the date of this presentation). We undertake no obligation, and do not intend, to update or revise any forward-looking statements, whether as a result of new information, future events or developments or otherwise.

This presentation may contain information, data and predictions about our markets and our competitive position. We operate in an industry for which it is difficult to obtain precise industry and market information. Any market data and/or economic and industry data and forecasts used, and statements regarding our position in the industry made in this presentation are based upon market research, government and other publicly available information, reports prepared by independent industry consultants and independent industry publications. Any such information in this presentation that has been sourced from third parties has been accurately reproduced and, as far as we are aware and able to ascertain from the information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. While we believe the statements included in such third party publications to be reliable, they have not been independently verified, and we do not make any representation or warranties as to the accuracy or completeness of such information set forth in this presentation. In addition, certain market share information and other statements in this presentation regarding our industry and our position relative to competitors reflect our management’s best estimates, based on our experience and knowledge of our industry. We cannot assure you that these statements and information are accurate or that they correctly reflect the state and development of our position in the industry.

In this presentation, we present certain non-GAAP measures and ratios, including EBITDA, EBITDA margin, EBIT, free cash flow, net financial debt, net leverage and certain other financial data that are not required by, or presented in accordance with, German GAAP. Our management believes that the presentation of these non-GAAP measures is helpful for investors because these and other similar measures are widely used by certain investors, security analysts and other interested parties as supplemental measures of performance and financial position. However, you should not construe these non-GAAP measures as an alternative to net income determined in accordance with German GAAP or to cash flows from operating activities, investing activities or financing activities. In addition, the non-GAAP measures and ratios, including EBITDA, EBITDA margin, EBIT, free cash flow, net financial debt and net leverage presented by us may not be comparable to similarly titled measures used by other companies.

AGENDA

01. Progroup – Highlights 30/09 | Q3 2022

02. Progroup – Financial Performance

03. Progroup – Summary & Outlook

PROGROUP HIGHLIGHTS 30/09 | Q3 2022

1

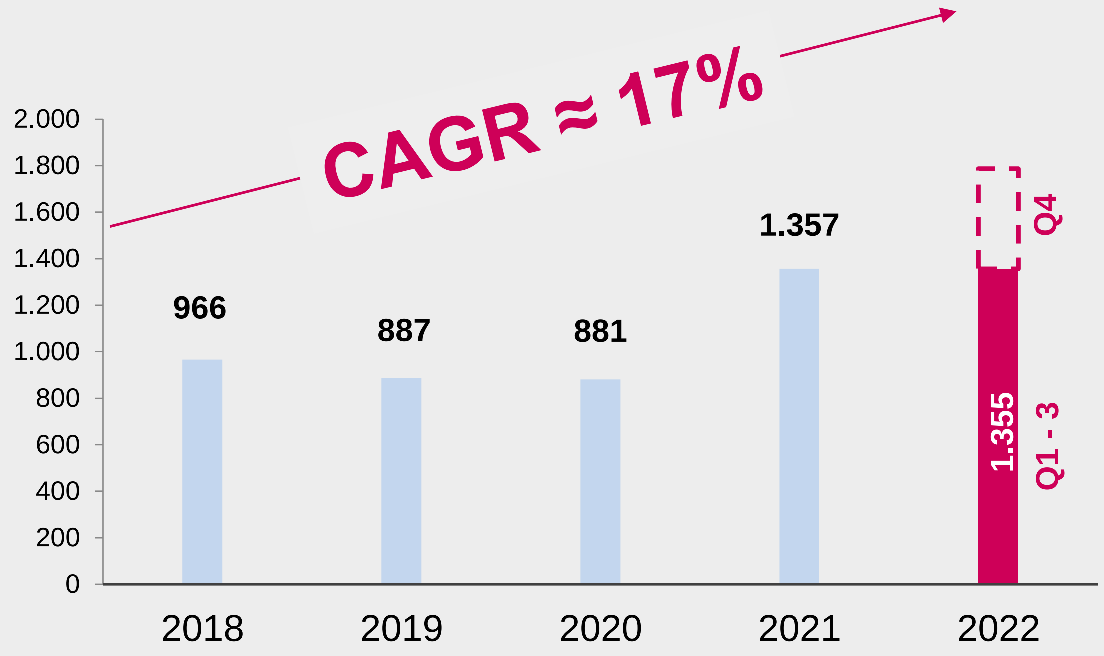
30 September / Third Quarter 2022

STRONG FINANCIAL PERFORMANCE

- Strong price increases and weaker market environment led to reduction in corrugated board sales volume.
- Slight Volume increases in our containerboard businesses (0.5%) in Q1-3 2022 vs. Q1-3 2021.
- **Sales** grew by **21.2% to €431.3** mn in Q3 2022 and by **40.7**% in the first nine months of 2022.
- **EBITDA** increased to **€73.2** mn in Q3 2022 (**+3.3%** vs. Q3 2021: €70.9 mn).
- **EBITDA margin** at **17.0% in Q3 2022.**
- Year to date **EBITDA** of **€309.4 mn** already above former EBITDA record of full year 2018.
- Net financial debt decreased to €691.6 mn (31 December 2021: €779.9 mn).
- Once again improved **net leverage of 1.7** x LTM EBITDA.

Sales

(in kt)

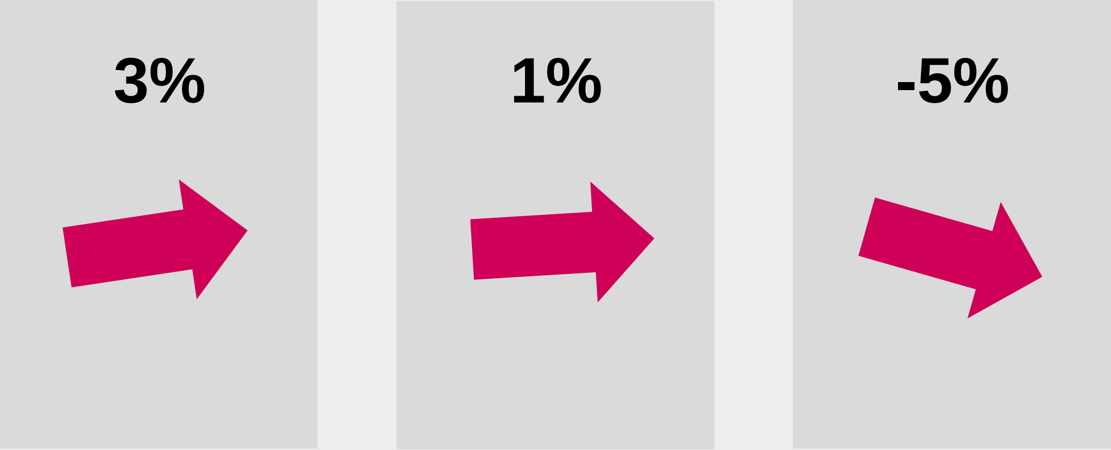


30 September / Third Quarter 2022

MARKET DEVELOPMENT

- Driven by higher input costs (e.g. energy costs and freight rates) prices for recycled containerboard and corrugated board increased slightly in Q3.
- Strong price increases led to a decline in corrugated board sales volumes.
- Recovered paper prices decreased in Q3 2022. The price decrease was driven by a significant demand drop due to industry-wide containerboard production cuts in the third quarter.
- Russian war against Ukraine has an increasing negative effect on inflation and consumer behavior. The economic outlook is subdued.

Price development Q3 2022 compared to Q2 2022



Corrugated board	Recycled containerboard	Recovered paper

PROGROUP FINANCIAL PERFORMANCE

2

Quarterly view

CORRUGATED BOARD VOLUME DROP

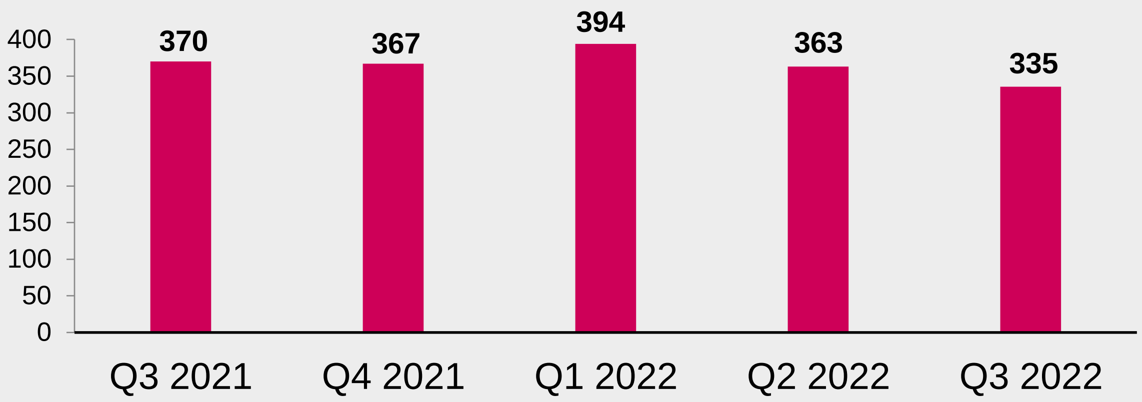
Development

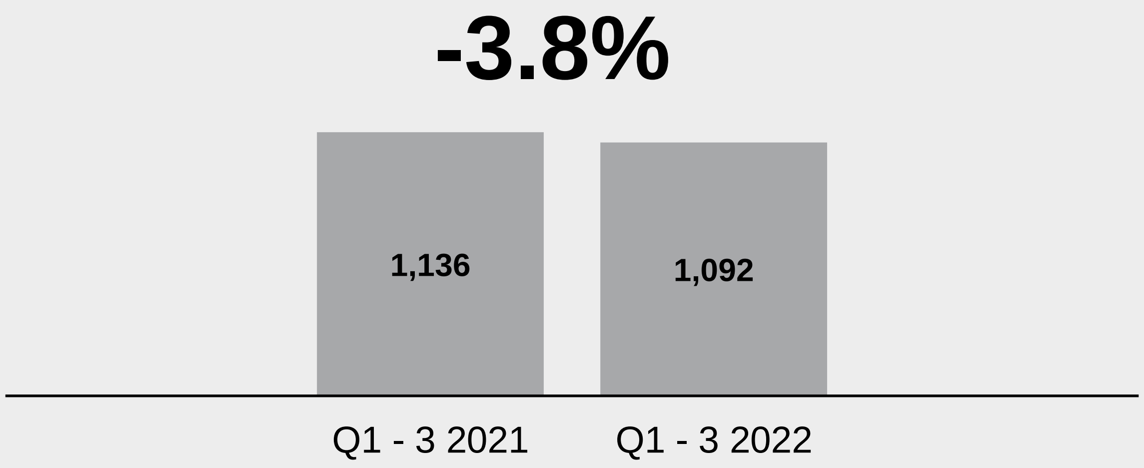
Corrugated board sales volume decreased in **Q3 2022 (-9.4%)** compared to Q3 2021 and **-3.8% year over year**.

This decline is due to the strong price increase during Q2 2022, a subdued market environment and a seasonal drop in demand over summer. Additionally, in the previous year the demand in the third quarter was exceptionally strong.

Volume corrugated board

(in kt)





Quarterly view

INCREASING PAPER VOLUME

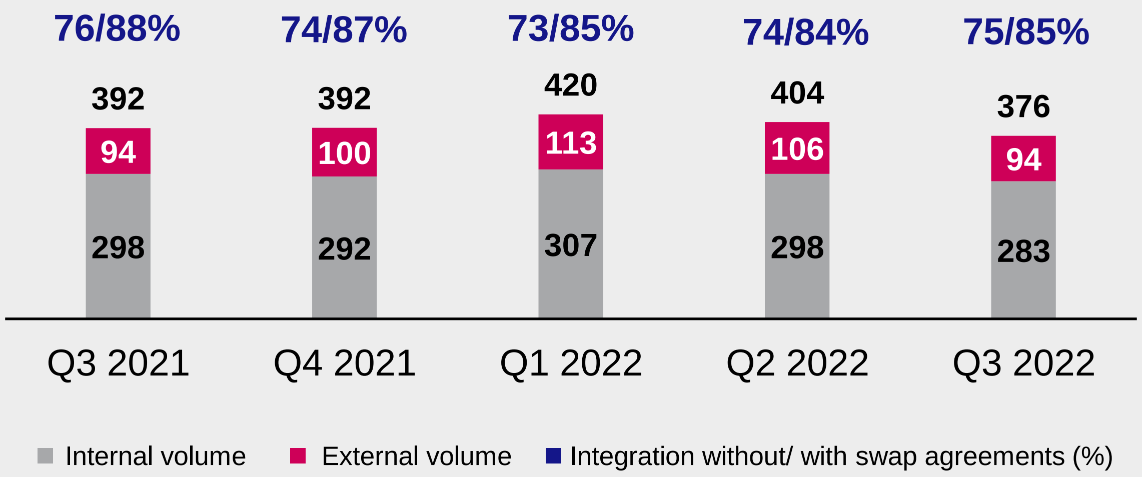
Development

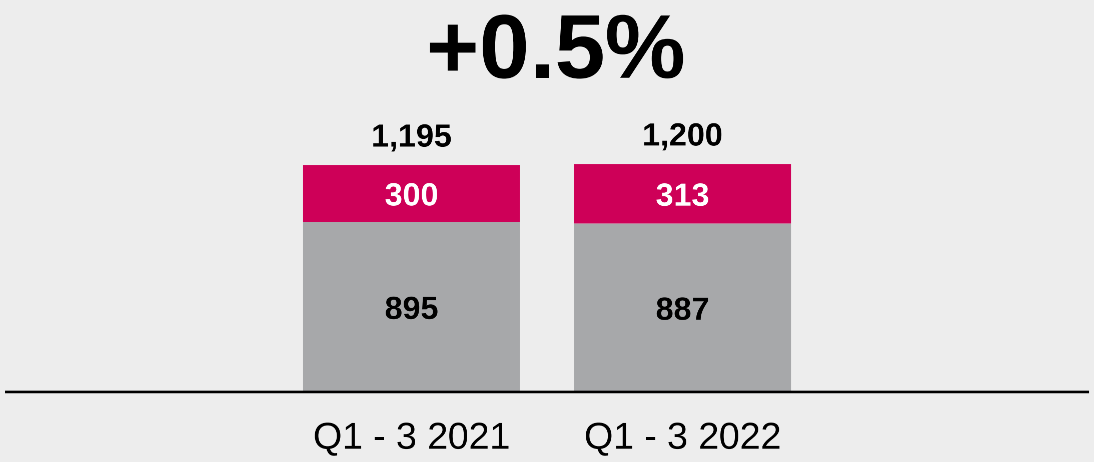
Sales volume decreased by 4.0% in Q3 compared to Q3/2021. The exceptionally high spot prices for energy in the third quarter led to production curtailments and also to lower sales volumes. **Year-over-year** the sales volumes **increased by 0.5%**.

The level of integration between our containerboard business, including swap agreements, and the corrugated board business increased slightly in Q3 2022 compared to Q2 2022.

Volume containerboard

(in kt)





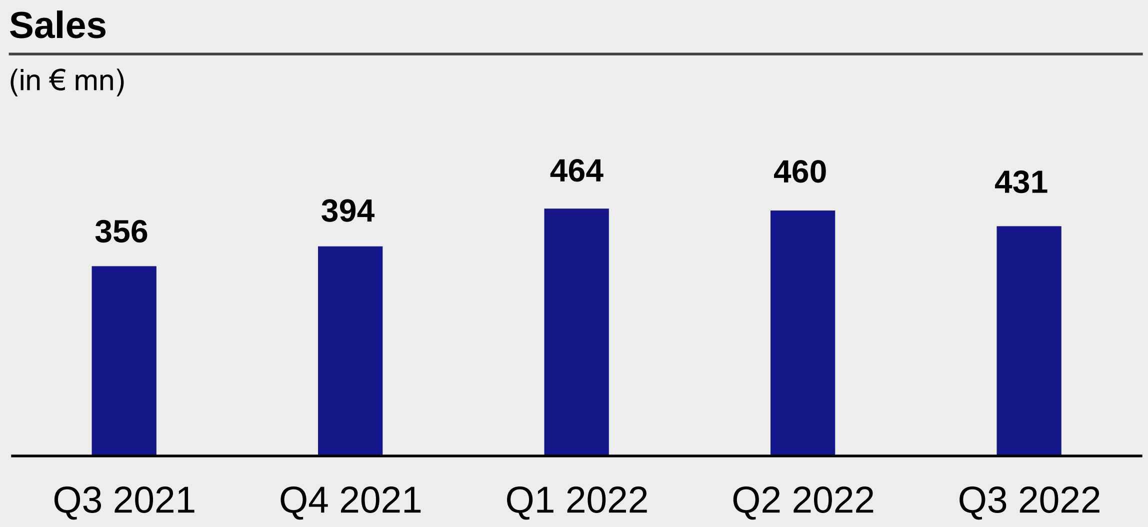
Quarterly view

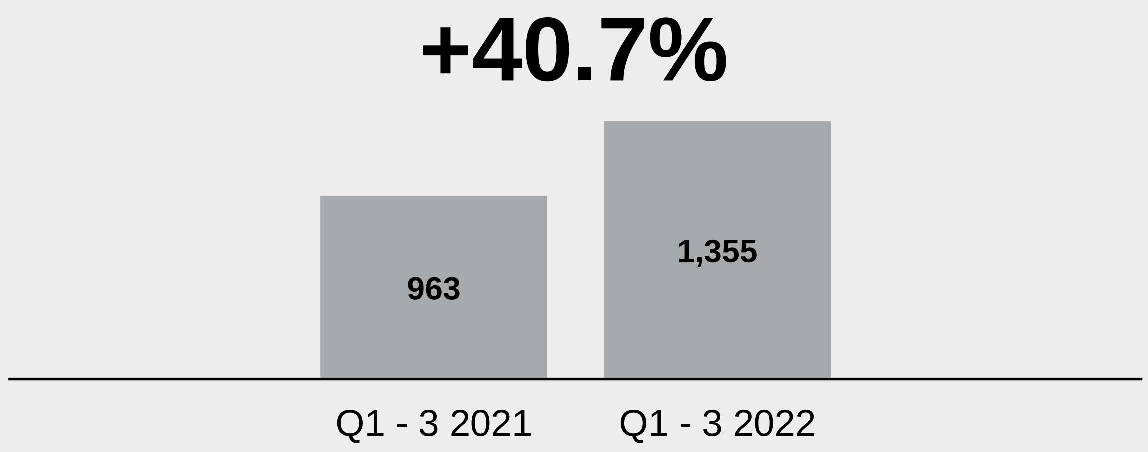
SALES DEVELOPMENT

Strong sales increase compared to Q3 2021

Increased price levels led to strong sales growth in Q3 2022 compared to Q3 2021.

Year over year **sales were 40.7%** above prior year period



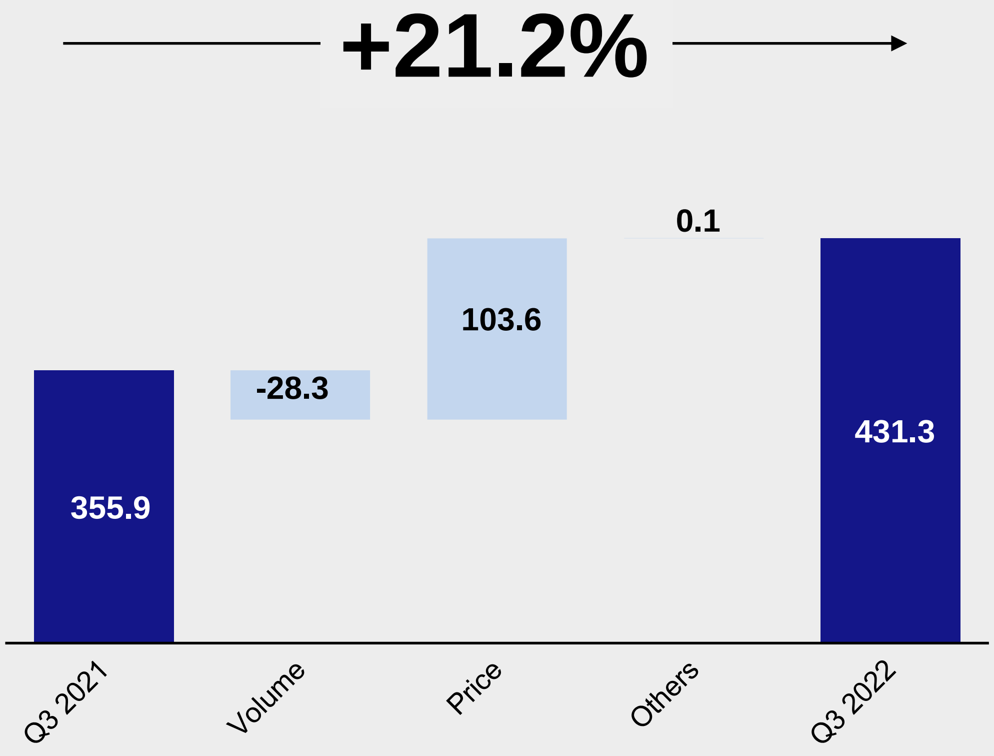


Quarterly view

SALES

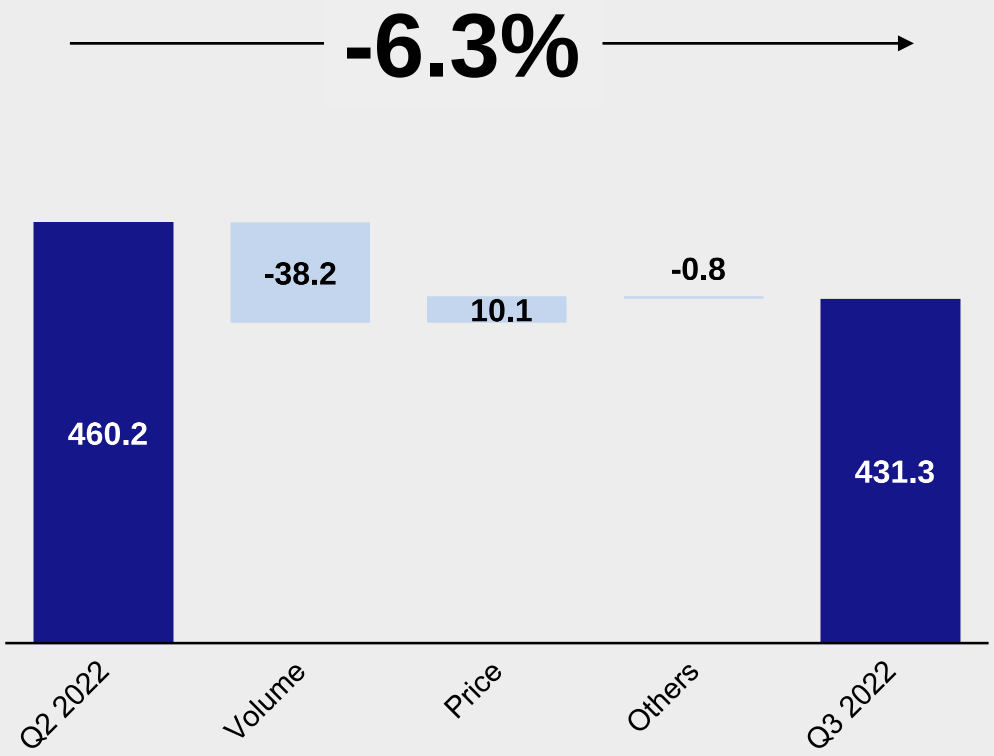
Sales Development – Q3 2021 / Q3 2022

(in € mn)



Sales Development – Q2 2022 / Q3 2022

(in € mn)



Quarterly view

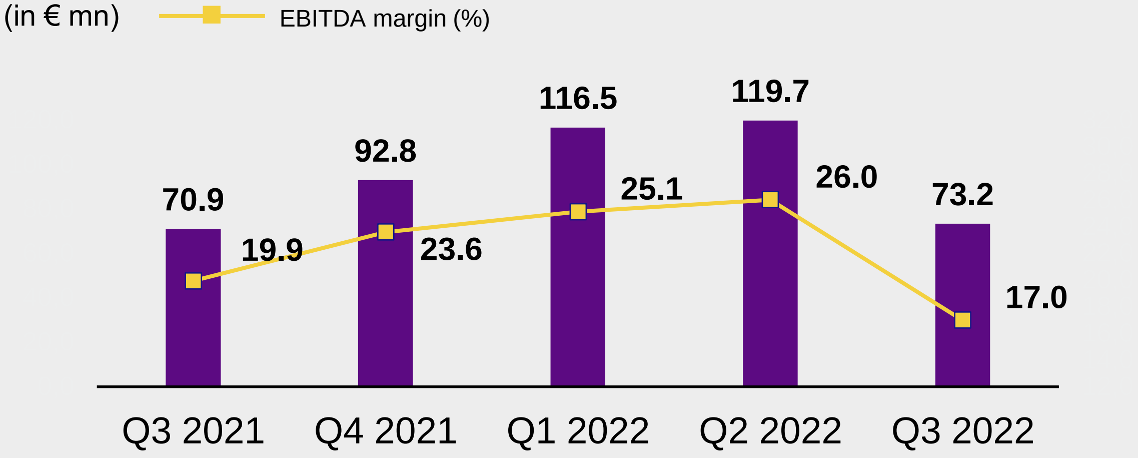
DEVELOPMENT OF EBITDA/EBITDA MARGIN

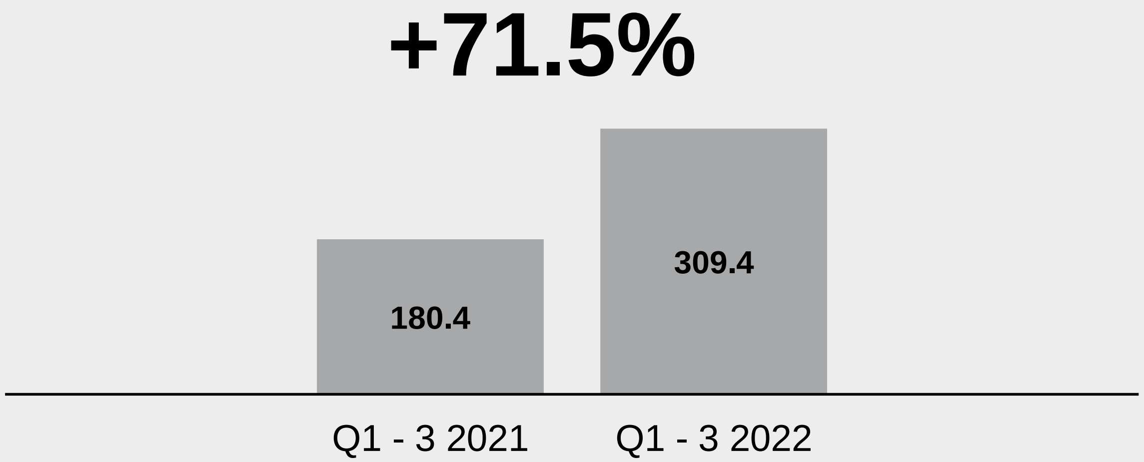
EBITDA in Q3 2022 increased by **3.3%** compared to the same quarter of the previous year. EBITDA of **€73.2 mn** is a new **EBITDA record in a third quarter.**

Strong **EBITDA increase of 71.5%** year-over-year.

EBITDA margin decreased in Q3 2022 to **17.0%** (-9,0%) compared to Q2 2022 due to seasonal effects, annual maintenance shutdowns and significant energy price increases.

EBITDA





Long-term view

EBITDA MARGIN LONG-TERM AVERAGE

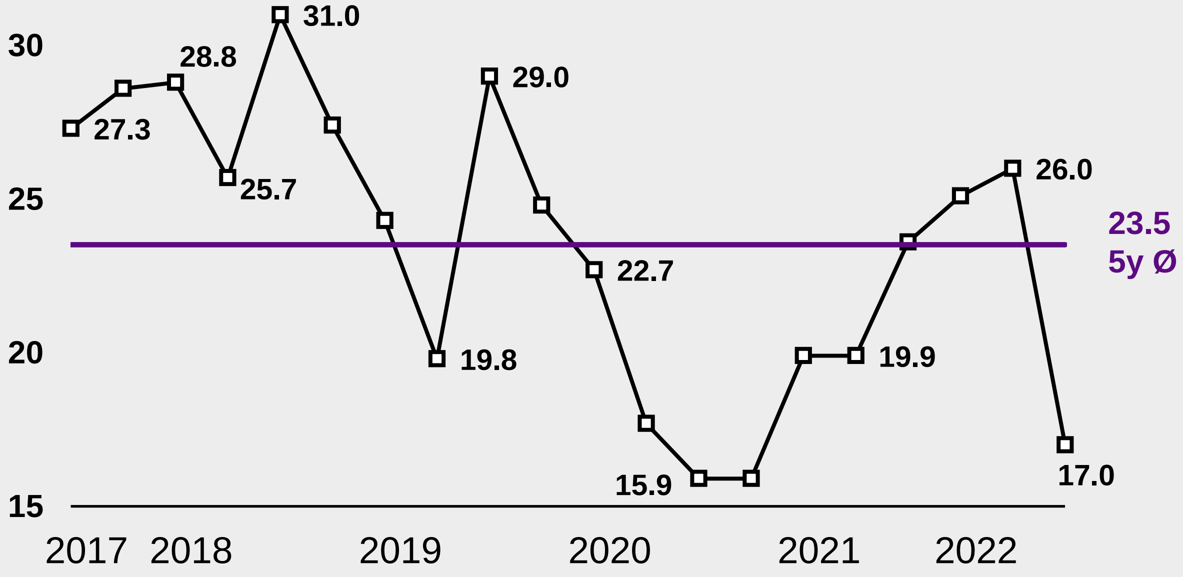
EBITDA margin in Q3 2022 well below 5-year average.

As usual, the EBITDA margin in the third quarter is below the full year margin due the summer season effects and the impact of the maintenance shutdowns.

In Q3 2022 the significantly higher price levels and the higher energy costs had additional dampening effects.

EBITDA margin

(in %)



Using adjusted EBITDA margin (%) for Q3 and Q4 of 2016
[based on EBITDA adjusted for unplanned maintenance shutdown extension of CHP]

Quarterly view

DEVELOPMENT OF FREE CASHFLOW

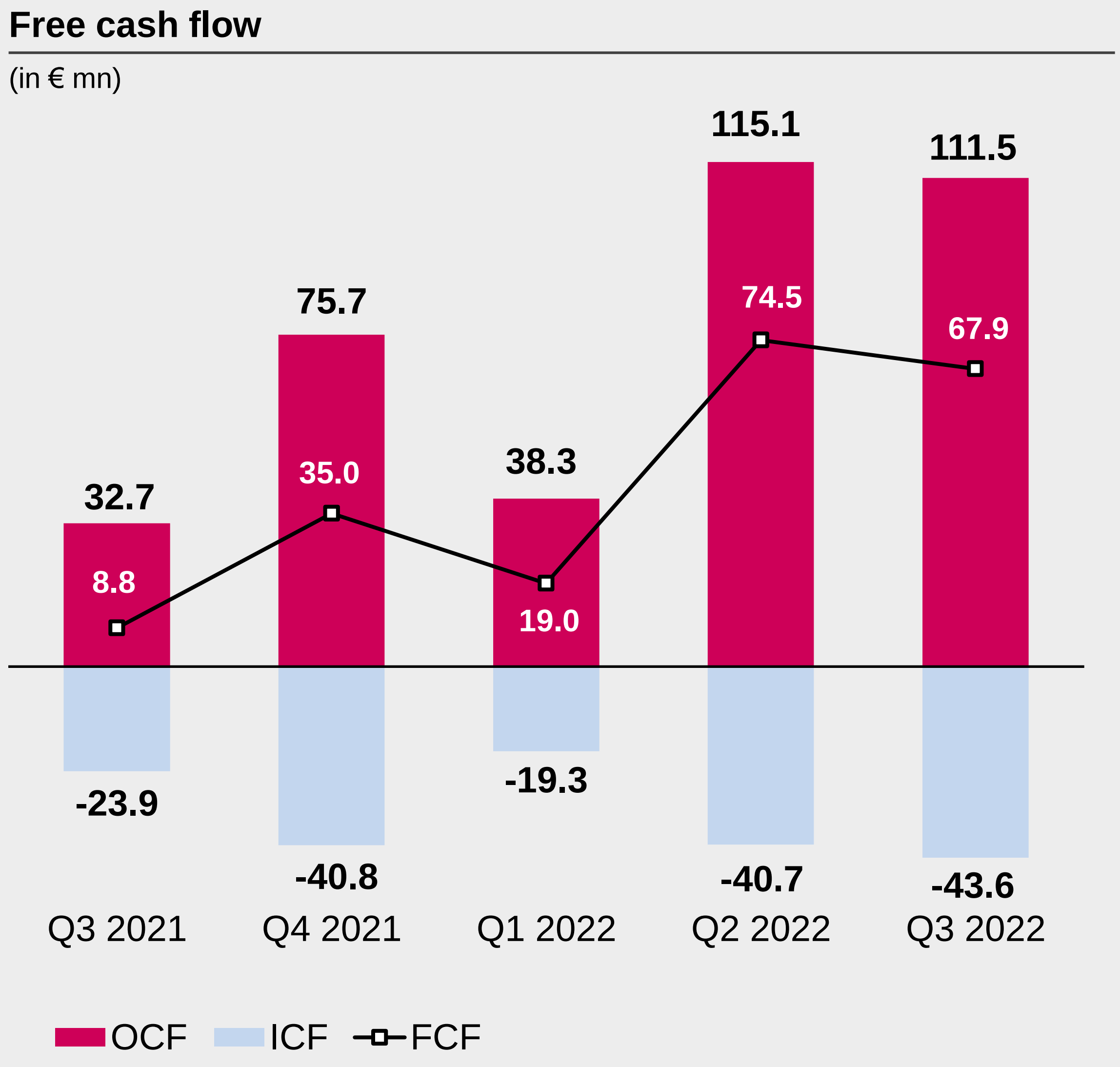
Positive free cash flow development

Free cash flow increased significantly by €59.1 mn in Q3 2022 compared to Q3 2021.

Operating cash flow **increased notably** in Q3 2022 compared to Q3 2021, mainly due to working capital effects.

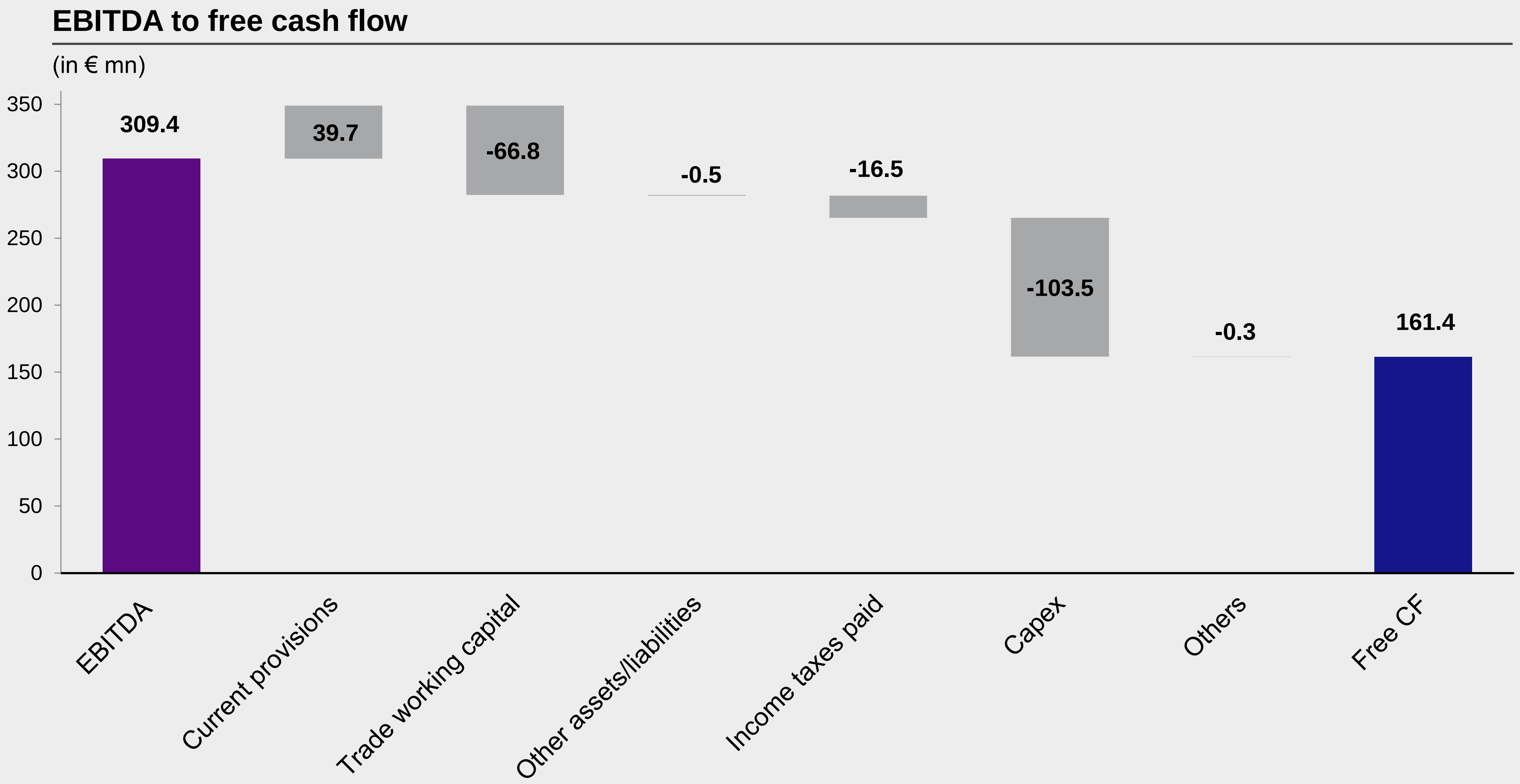
Cash flow from investing activities

amounted to €-43.6 mn in Q3 2022. CAPEX mainly attributable to our corrugated board plant projects. Included in the ICF are bond purchases in the open market with a nominal amount of €17 mn in Q3 2022.



30 September 2022

EBITDA TO FREE CASH FLOW



Quarterly view

DEVELOPMENT OF NET FINANCIAL DEBT AND NET LEVERAGE

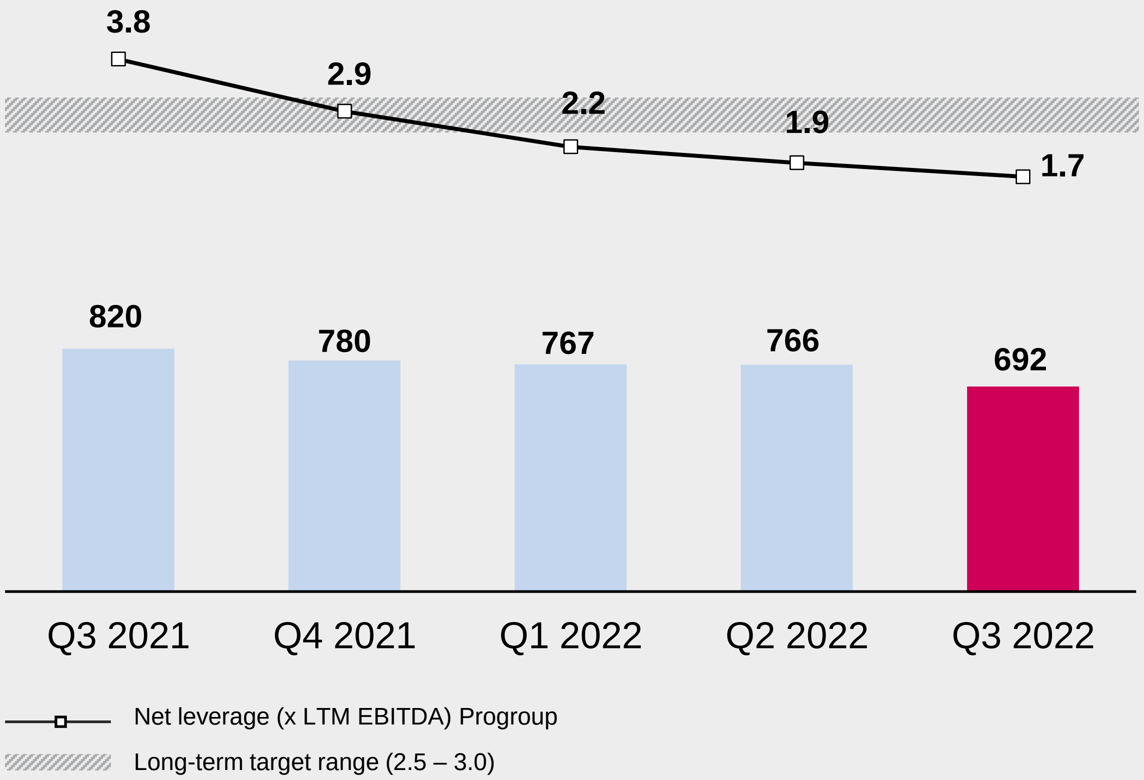
Steep decrease of net leverage to 1.7 due to higher LTM EBITDA and lower net debt.

Long-term net leverage target range of 2.5 – 3.0 was reached again in Q4 2021, only two years after we left the target corridor due to the PM3 expansion project and fell below the target range in Q1 2022. In addition to scheduled repayments of existing loans, own bonds with a nominal value of €30 mn were purchased in the open market.

The decrease was achieved despite the dividend payment of €80 mn in May.

Net financial debt Progroup

(in € mn)



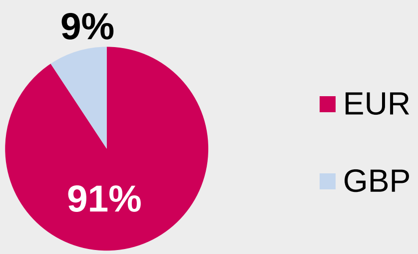
FINANCIAL DEBT AND FINANCE COSTS

Net financial debt as at 30 September 2022 was below year end 2021 due to regular repayments. In addition to scheduled repayments of existing loans, bonds with a nominal value of €30 million were purchased in the open market in June and July. The decrease was achieved despite the dividend payment of €80 mn in May.

Average interest rate on the same level than 2021 at 3.0%.

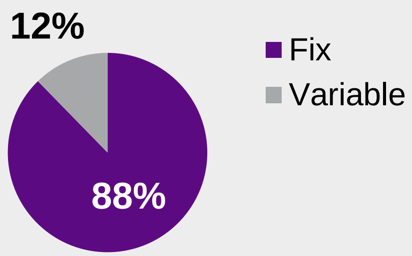
Currency split of current financial liabilities

(in %)



Interest split of current financial liabilities

(in %)



Financial debt and finance costs

(in € mn)

	31/12/2021	30/09/2022
Bonds	600	600
Committed bank facilities	325	298
thereof undrawn	50	50
Financial liabilities	879	824
Cash in hand, bank balances	100	132
Net financial debt	780	692
	Q1 – Q3 2021	**Q1 – Q3 2022**
Interest expenses*	21.5	19.3
Average interest rate	3.0%	3.0%

*excluding amortisation of lump sum fee payments

Quarterly view

DEVELOPMENT OF WORKING CAPITAL

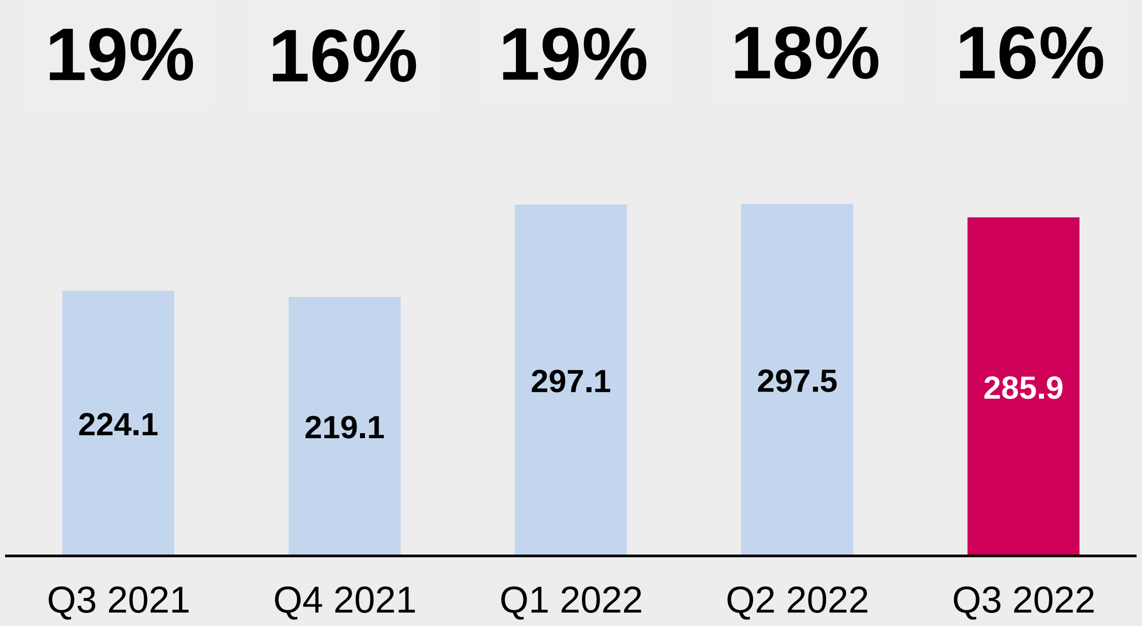
Decrease in working capital in Q3 2022 compared to Q2 2022.

Working capital increased significantly in Q3 2022 compared to Q3 2021, due to higher sales and therefore higher trade receivables as well as higher inventories.

Working capital as percentage of sales decreased to 16%.

Working capital*

(in € mn)



% of LTM Sales

*Working capital (not a German GAAP measure) is calculated as inventories plus trade receivables minus trade payables

PROGROUP
SUMMARY & OUTLOOK

3

SUMMARY & OUTLOOK

Expectations

- High economic uncertainty and weaker seasonal effects will lead to lower sales volumes in Q4 2022
- Subdued demand will lead to a decline in containerboard prices in Q4 2022.
- Expect significantly lower prices for recovered paper in Q4 2022.
- EBITDA margin will recover from Q3 2022, however, still impacted by higher energy expenses and other cost items.
- PW14: start of trial runs in November; commercial production will start at the beginning of 2023.
- PW15: Construction of the production hall and work on the high-bay warehouse are ongoing for the next corrugated sheet feeder plant PW15 in Germany.
- Latest corrugated board project will be built in Italy.

WWW.IR.PROGROUP.AG

Progroup AG

Horstring 12
76829 Landau
Germany
Phone: +49 (0) 6341 / 55 76-0
Fax: +49 (0) 6341 / 55 76-109
ir@progroup.ag
www.ir.progroup.ag